Attorney's Docket No.: 12732-171001 / US6695 Applicant: Masaharu Nagai et al.

Serial No.: 10/694,986

: October 29, 2003 Filed

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REMARKS

Claims 1-11, 17, 18 and 20-27 are pending, with claims 1-4 being independent. Claims 12-16 and 19 have been canceled and claims 20-27 have been added. Support for the new claims may be found in the application at, for example, page 8, lines 4-5 and 13-16. No new matter has been introduced.

Claims 12 and 19 have been rejected under section 112, first paragraph. Applicant submits that this rejection is obviated by the cancellation of those claims.

The claims have been rejected over Nagai (U.S. Patent Publication No. 2003/0228740) in view of Ye (U.S. Patent No. 6,009,888). Applicant requests reconsideration and withdrawal of this rejection because Nagai, which was published after the filing date of the present application and only qualifies as prior art under section 102(e), is barred by section 103(c) from being used as the basis of an obviousness rejection. In particular, at the time that the invention recited in the pending claims was made, the inventors were under an obligation to assign to Semiconductor Energy Laboratory Co., Ltd. ("SEL"), the assignee of the present application, and Nagai was (and remains) assigned to SEL.

Applicant submits that all claims are in condition for allowance.

The fee in the amount of \$50 for excess claim fees is being paid concurrently herewith on the Electronic Filing System (EFS) by way of Deposit Account authorization. Please apply any other charges or credits to Deposit Account No. 06-1050.

Respectfully submitted,

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